

# TRANSPORTATION AND STORMWATER GRANTS

## FREQUENTLY ASKED QUESTIONS (FAQs)



**Updated: June 18, 2021**

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## **INTRODUCTION**

The Indiana General Assembly allocated \$60 Million of federal Coronavirus State and Local Fiscal Recovery Funds to the Indiana Finance Authority (IFA) to provide grants to utilities and/or communities for stormwater/flooding projects that impact State Roads in their local communities. The IFA will administer these grants under the Transportation and Stormwater Grant program.

The State seeks to make an impact on communities by providing Transportation and Stormwater Grants to communities to complete necessary projects.

In order to prioritize projects for Transportation and Stormwater Grants, the IFA will first look to communities with existing plans in place to complete projects that meet the funding eligibility criteria. Additional detail about prioritization and eligibility are provided below.

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## **GENERAL QUESTIONS**

### **1. What is the timeline for Transportation and Stormwater Grants?**

There will be two funding rounds. Please note that all dates are on or before the date listed below.

#### Round 1:

- July 29, 2021: Application deadline
- August 20, 2021: Tentative Notice of Award provided to Grant recipients
- January 3, 2022: Design complete
- January 3, 2022: Necessary permits submitted, if applicable
- April 1, 2022: Project bids received
- June 30, 2022: Grant Agreement Signed

#### Round 2 (Subject to Change):

- July 29, 2022: Application deadline
- August 19, 2022: Tentative Notice of Award provided to Grant recipients
- January 3, 2023: Design complete
- January 3, 2023: Necessary permits submitted, if applicable
- April 3, 2023: Project bids received
- June 30, 2023: Grant Agreement Signed

### **2. When do infrastructure projects need to be completed?**

Round 1 and Round 2 awardees must commit to contract all grant dollars by **December 31, 2024**. Construction for both Round 1 and Round 2 projects must be completed by **December 31, 2026**.

## **APPLICATION/PROCESS QUESTIONS**

### **3. Who is eligible to apply?**

Municipalities, Counties, Regional Water and Sewer Districts, Water and Sewer Conservancy Districts, Nonprofit utilities, and Private, for-profit utilities.

### **4. What is the process to apply for a Transportation and Stormwater Grant?**

- a. Complete the official **Transportation and Stormwater Grant Application** on or before July 29, 2021 for Round 1, or July 29, 2022 for Round 2.
- b. Submit the completed application to [stormwater1@ifa.in.gov](mailto:stormwater1@ifa.in.gov), or by mail, Attn: Transportation and Stormwater Grant, 100 N. Senate Avenue, Suite 1275, Indianapolis, IN 46204.

### **5. How will applications be reviewed and prioritized for funding?**

All applications will be reviewed for funding eligibility and ranked in terms of readiness to proceed, extent of current flooding and stormwater impacts, as well as the potential to impact a State Road. Photos of current conditions may be helpful. For more information, see project eligibility description in **Question 10**.

**6. Is a community able to apply for both a SWIF Grant and a Transportation and Stormwater Grant?**

Yes. A community may submit both a SWIF Grant application and a Transportation and Stormwater Grant application. If the same project meets the eligibility criteria for both programs, more than one grant may be awarded, not to exceed total project cost.

**7. Who should complete the Transportation and Stormwater Grant application?**

The application should be completed by the authorized signatory for the community or utility, unless they have expressly granted such permission to an engineer, grant administrator, or other authorized representative.

**8. Do projects currently submitted to Indiana's State Revolving Fund (SRF) Loan Programs need to submit a Transportation and Stormwater Grant application to be considered for a Grant?**

No. A Transportation and Stormwater Grant application is not required for projects already submitted to SRF. However, please send an email to [stormwater1@ifa.in.gov](mailto:stormwater1@ifa.in.gov) expressing interest in the Transportation and Stormwater Grant. Please identify: Community name, State Road impacted; if a current SRF application is on file; and, project cost.

**9. What happens after I submit a Transportation and Stormwater Grant application for my community?**

The IFA will review all applications and prioritize available funding based on eligibility criteria and community need. All Round 1 applicants for Transportation and Stormwater Grants will be notified on or around August 20, 2021, when a Tentative Notice of Award will be provided to all awardees. Communities will have the opportunity to decide whether to accept the award. Once an award is accepted, the IFA will monitor progress towards project milestones.

Upon meeting all project milestones (on or before June 30, 2022 for Round 1 or June 30, 2023 for Round 2), Transportation and Stormwater Grant awardees will sign the official grant agreement and begin construction on the project(s). The IFA will request copies of all contracts and review disbursement requests to ensure costs align with project descriptions.

**ELIGIBLE COSTS**

**10. What specific types of projects are eligible for Transportation and Stormwater Grants?**

Projects that address flooding/stormwater concerns that have the potential to impact a State Road are eligible to apply.

**11. Is construction on the State Road required as part of the project?**

No. Road construction is not required as a part of the project. However, the project must demonstrate benefits and/or other impacts to a State Road.

**12. Are professional service fees necessary to complete a project eligible for Transportation and Stormwater Grants?**

Yes. Professional service fees necessary to complete a project are eligible for inclusion in a Transportation and Stormwater Grants, including:

- Engineering;
- Financial advisory services;
- Local attorney fees;
- Construction inspection;
- Grant administration\*; and
- Labor standard administration.

\*Please note that the use of a grant administrator is not required to be eligible for a Transportation and Stormwater Grant.

**13. Will planning grants be awarded?**

Yes. However, planning grants will not rank above projects involving construction activities.

**14. Are costs associated with land acquisition for a project eligible for grant funding?**

No. Land acquisition costs are not eligible for grant funding. However, these costs may be included in a Community's co-funding contribution for the grant.

**15. Does my project need to have a labor standards administrator to oversee wage rates? Is this cost eligible for grant funding?**

Yes. Each project must have a labor standards administrator to oversee labor practices, including a project labor agreements and community benefit agreements that offer wages at or above the prevailing rate and include local hire provisions. This cost is eligible to be reimbursed with grant funding.

**FUNDING QUESTIONS**

**16. How will funding priority be determined?**

All projects will be scored using a project category specific scoring methodology. Priority will be given to projects that positively impact an economically disadvantaged community, as indicated by low-median household income and/or high customer user rates, and those where flooding conditions have been demonstrated to cause public health/safety concerns.

**17. What grant amount is my community eligible to receive?**

To provide funding to improve infrastructure in as many communities as possible, the IFA will provide maximum grant amounts based upon the \$60 million appropriation by the Indiana General Assembly.

**18. What is co-funding?**

Applications that provide a source of co-funding will be prioritized. For eligible sources of co-funding, see **Question 19**.

**19. What are eligible co-funding sources?**

- Local Funds/Cash-on-hand/TIF Funds;
- A community's own allocation of American Rescue Plan Act funds;
- Municipal Bond Market proceeds;
- Local, State, or Federal Grant Programs, including but not limited to Economic Development Administration, and Indiana's Office of Community and Rural Affairs (I-OCRA);
- United States Department of Agriculture (USDA) Rural Development (Grant or Loan);
- State Revolving Fund Loan Programs; and
- Other sources of co-funding may be eligible, if approved in advance by the IFA.

**20. Can one community receive multiple Transportation and Stormwater Grants?**

Yes. However, IFA will give priority to communities that have not received a previous Transportation and Stormwater Grant.

**REQUIREMENTS**

**21. Does my community need to submit a Preliminary Engineering Report (PER) to apply for a Transportation and Stormwater Grant?**

No. A PER does **not** need to be submitted to the Indiana Finance Authority to apply for a Transportation and Stormwater Grant.

**22. What requirements do Transportation and Stormwater Grant projects have to follow?**

Infrastructure projects must comply with all Local, State, and Federal laws pertaining to project bidding, land acquisition, and necessary permits.

In addition, the following requirements apply:

- a. Regional Planning Initiative: awardee must attend an [IFA Regional Planning](#) meeting prior to completion of project construction.
- b. Asset Management: awardee must submit certification of an [Asset Management Program](#) prior to completion of project construction. As part of the Asset Management Program, a State Board of Accounts (SBOA) Audit must be completed.
- c. Audit Requirements: awardees that expend financial assistance of \$750,000 or more in Federal awards within a single year must have a single or a program-specific audit.
- d. Contracts/Procurement:

- i. Transportation and Stormwater Grant awardees conducting procurement for any activity other than professional services will proceed pursuant to IC 36-1-12, Public Works Projects.
  - ii. Submit executed copies of all contracts and/or agreements that will be paid from a Transportation and Stormwater Grant, including non-construction contracts.
  - iii. Costs should be itemized; for construction contracts, this should include a schedule of values or certified bid tab.
  - iv. Submit copy of Notice of Award or Notice to Proceed.
  - v. Include contract provision related to Suspension and Debarment.
- e. All permits required for the project.

**23. Does National Environmental Policy Act (NEPA) apply to Transportation and Stormwater Grant awardees?**

No. NEPA review will not apply to Transportation and Stormwater Grant projects. However, IFA will request certification that all land acquisition, bidding, and permitting were completed in accordance with applicable state and federal guidelines. Additionally, Transportation and Stormwater Grant awardees may still be subject to NEPA review if they are also funded by other federal financial assistance programs.

**24. Will materials produced in the United States be required?**

The Transportation and Stormwater Grant projects should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). This requirement must be included in all subawards including all contracts and purchase orders for work or products using Transportation and Stormwater Grants.

Transportation and Stormwater Grant projects may be subject to the American Iron and Steel requirements if they are also funded by other federal financial assistance programs.

**25. Are Davis Bacon Wages required for Transportation and Stormwater Grant recipient projects?**

U.S. Treasury Guidance encourages the use of strong labor standards, including project labor agreements and community benefit agreements that offer wages at or above the prevailing wage rates. Davis Bacon Wage rates are not required, however will satisfy this requirement of funding. If Davis Bacon Wages are not used for the project, please include an explanation in your application as to how you will satisfy the US Treasury requirement of “strong labor standards, including project labor agreements and community benefit agreements that offer wages at or above the prevailing wage rates.”



**26. What Disadvantaged Business Enterprise (DBE) practices must be followed for Transportation and Stormwater Grant recipients?**

The Transportation and Stormwater Grant awardee must take all necessary affirmative steps to assure that minority owned businesses, women's business enterprises, and labor surplus area firms are used when possible, including but not limited to placing qualified DBEs on solicitation lists and encouraging participation by DBEs. See 2 CFR 200.321 for additional information.

**27. Can previously incurred project-related costs be paid with Transportation and Stormwater Grant funds?**

Yes. Costs associated with the project can be paid by a Transportation and Stormwater Grant if the contract related to the cost was signed on or after **March 3, 2021**. Any contracts signed before March 3, 2021 are excluded from grant eligibility but may be included as part of an awardee's co-funding contribution.

**28. What are the requirements after signing the grant agreement?**

Reporting requirements: minimal reporting will be required. The IFA anticipates satisfying the majority of the requirements using data from construction pay applications, including information such as percentage complete.

Record Drawings/inspections: this grant is subject to oversight by the federal OMB, per 2 CFR 200. Therefore, the IFA will require awardees to submit a digital copy of record drawings, and all awardees should maintain records in the event the OMB requests an inspection.